



**METROPOLITAN
TRANSPORTATION
COMMISSION**

Joseph P. Bort MetroCenter
101 Eighth Street
Oakland, CA 94607-4700
TEL 510.817.5700
TDD/TTY 510.817.5769
FAX 510.817.5848
E-MAIL info@mtc.ca.gov
WEB www.mtc.ca.gov

Memorandum

TO: Administration Committee

DATE: April 2, 2008

FR: Deputy Executive Director, Operations

W.I.:

RE: Investment Report for February 2008

In accordance with the adopted investment policy, attached are the comprehensive investment holdings for MTC and all operating units.

Total funds under MTC management equal approximately \$3.65 billion. A breakdown by fund is as follows:

<u>Fund</u>	<u>Balance (\$ million)</u>	<u>% of Total</u>
BATA RM1*	\$ 996.2	27.2%
BATA Debt Service Reserve	70.6	1.9%
BATA Seismic	921.1	25.2%
BATA 2007 Bond Proceeds	755.4	20.7%
BATA RM2	192.1	5.3%
BAIFA	444.4	12.1%
MTC	169.5	4.6%
FasTrak® (Customer Deposits)	43.3	1.2%
BART Car Exchange Program	46.7	1.3%
SAFE	14.6	0.4%
RAFC	2.9	0.1%
Portfolio Total	\$ 3,656.8	100.0%
Net BAIFA	\$ 3,212.4	87.9%

*includes rehab, reserves, capital, trustee payments

The Bay Area Infrastructure Financing Authority (BAIFA) funds are held in trust for both project and reserve funds that will be used for seismic retrofit purposes. The BART Car Exchange fund is held in trust for future replacement of BART cars.

The portfolio consists mainly of U.S. Government securities. The portfolio breakdown is as follows:

<u>Security Holding</u>	<u>Portfolio Composite</u>	<u>Policy Limits</u>
U.S. Gov't Agencies	80.7%	No limit
Cash	3.7%	No limit
Certificate of Deposit	0.5%	10% portfolio
Commercial Paper	0.0%	10% portfolio
Corporate Bond	0.4%	10% portfolio
Gov't Pools	0.2%	No limit
Mutual Funds	5.5%	20% Portfolio/10% One Fund
Blackrock (BATA Trustee)	0.6%	Trustee Funds – No limit
Cadre (BAIFA)	2.4%	Trustee Funds – No limit
Goldman Sachs (BAIFA)	6.0%	Trustee Funds – No limit
Portfolio Total	<u>100.0%</u>	

Funds held by trustee on behalf of bondholders are subject to permitted investments approved in the issuing documents and are not subject to mutual fund limits as defined in the MTC Investment Policy.

MTC has a \$15 million MBIA corporate bond investment in the investment portfolio. The MBIA bond is currently rated Aaa/AAA/AAA; the MBIA security will mature in September 2008 and has recently been placed on negative outlook by Moody's and negative watch by S&P.

MTC agency holdings include \$65 million (1.8%) in floating rate securities. If there are any questions, please contact Brian Mayhew at (510) 817-5730.

Ann Flemer

SH:SW